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ABSTRACT

The armed services' efforts to aid and encourage uniformed personnel to participate in the Veterans' Educational Assistance Program (VEAP) are reviewed. VEAP is a pilot program designed to promote and assist the all-volunteer armed forces program in attracting qualified persons to serve by offering educational assistance. Several factors that appear to have limited participation in the program include: failure of the cognizant agencies to develop comprehensive program guidelines in a timely manner, variances and inaccuracies in program information provided to recruits, the timing and sequence of VEAP briefings within certain services, and a low opinion of VEAP that appears to be held by some of the personnel responsible for program implementation at the installation level. Questionnaires were administered to an arbitrarily chosen sample of recruits eligible to participate in the program at nine reception stations and training centers to determine current enrollment rates, compare enrollees with nonenrollees, and determine why recruits were electing not to participate. Out of the 2,534 respondents, 514 or about 20 percent had enrolled in the program. Reasons for nonparticipation are presented. Information on the efforts of each of the military services is presented, and recommendations are offered to the Administrator of Veterans Affairs and the Secretary of Defense to improve the VEAP. (SW)

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REPORT BY THE

Comptroller General

OF THE UNITED STATES

ED168413

Improvements Needed In Implementation Of The Veterans' Educational Assistance Program

At the request of the Senate Committee on Veterans' Affairs, GAO reviewed the armed services' efforts to aid and encourage uniformed personnel to participate in the Veterans' Educational Assistance Program.

Implementation procedures established by each of the services, except the Coast Guard, are adequate in terms of the number of times recruits are exposed to the program. However, some factors appear to have limited program participation. These include

--failure of cognizant agencies to develop comprehensive guidelines in a timely manner,

--variances and inaccuracies in program information provided to recruits,

--the timing and sequence of program briefings, and

--a low opinion of the program by some of the personnel responsible for program implementation.

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HE 01 114

HRD-78-148
NOVEMBER 30, 1978

COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-114859

The Honorable Alan Cranston
Chairman, Committee on Veterans' Affairs
United States Senate

Dear Mr. Chairman:

In response to your letter dated December 5, 1977, this is our report, entitled "Improvements Needed in Implementation of the Veterans' Educational Assistance Program."

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 10 days from the date of the report. At that time we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,

Comptroller General
of the United States

COMPTROLLER GENERAL'S REPORT
TO THE SENATE COMMITTEE
ON VETERANS' AFFAIRS

IMPROVEMENTS NEEDED IN IMPLEMENTATION OF THE VETERANS' EDUCATIONAL ASSISTANCE PROGRAM

D I G E S T

The Post-Vietnam Era Veterans' Educational Assistance Program, implemented in January 1977, is a 5-year pilot program designed to promote and assist the all-volunteer Armed Forces program in attracting qualified persons to serve by offering educational assistance to young men and women who might not otherwise be able to afford an education. To be eligible for the Program, which is designed to replace the GI Bill, a service member must elect to participate and agree to contribute between $50 and $75 per month to an education fund. This contribution is matched $2 for every $1 by the Veterans Administration (VA). On completion of an initial tour of duty or 6 years of service, whichever is less, the participant becomes eligible for monthly educational assistance payments. (See p. 1.)

The Program implementation procedures established by each of the armed services, except the Coast Guard, are adequate in terms of the number of times recruits are exposed to the Program. However, several factors appear to have limited Program participation.

--Although the Program had been in effect for about 17 months at the conclusion of GAO's fieldwork in May 1978, VA and the Department of Defense (DOD) had not issued comprehensive joint guidelines for the implementation and administration of the Program. Interim guidelines were developed by the individual services; however, they were issued on a piecemeal basis, tended to be somewhat general in nature, and contained inaccuracies. Without adequate information on how the Program would operate, recruits were not in a position to make informed decisions on whether to participate.

Tear Sheet. Upon removal, the report cover date should be noted hereon.

--The Program information presented to eligible recruits varied among the individual armed services and, in some instances, was inconsistent with the law. This was due, in part, to inconsistencies in the limited guidelines issued by VA and DOD and inaccuracies in the interim guidelines issued by the individual armed services. The incorrect information presented to recruits may tend to discourage or otherwise limit participation in the Program.

--Two services provided recruits with a scheduled opportunity to make an allotment for the Program before they received their detailed briefing on the Program. As a result, they were not in a position to make fully informed decisions regarding participation. In another service, delayed briefings and enrollment opportunities eliminated the opportunity for 3-year enlistees to take full advantage of the Program.

--Some of the service personnel responsible for Program implementation at the installations visited appeared to have a low opinion of the Program. Such opinions cannot help but affect Program presentations and may tend to limit or discourage Program enrollment. (See pp. 5 to 14.)

GAO administered questionnaires to an arbitrarily chosen sample of recruits eligible to participate in the Program at nine reception stations and training centers to determine current Program enrollment rates, compare enrollees with nonenrollees, and determine why recruits were electing not to participate. Out of the 2,534 respondents, 512 or about 20 percent indicated that they had enrolled in the Program. The 2,022 nonparticipating respondents most frequently checked the following reasons (some checked more than one reason) for not enrolling in the Program:

--48 percent stated they planned to enroll later.

--39 percent stated they had not decided upon future educational goals.

--36 percent stated they could not afford to make the required contributions.

--35 percent stated they intended to complete their education while in the service.

Most of the nonparticipants indicated that they would have enrolled in the Program if the minimum contribution were reduced to $25 a month. (See pp. 14 and 15.)

RECOMMENDATIONS

GAO recommends that the Administrator of Veterans Affairs and the Secretary of Defense take action to finalize and expedite the distribution of the joint Program regulations which were being developed by VA and DOD at the conclusion of GAO's fieldwork.

GAO also recommends that the Secretary of Defense

--take action to insure that Program training materials and information presented to eligible recruits by the various services are consistent, complete, and accurate, and that the recruits receive their in-depth Program briefing before their scheduled enrollment opportunity and

--monitor implementation of the Program by the various services to determine the reasons for the present disparity in participation rates.

GAO further recommends that the Commandant of the Coast Guard establish procedures to insure that all eligible recruits are thoroughly briefed on the Program and are provided with a scheduled opportunity to enroll.

AGENCY COMMENTS

DOD, the Department of Transportation, and VA generally concurred with the conclusions and recommendations in this report and stated that corrective actions are being taken. Detailed comments from each of the above agencies are included in appendixes IV, V, and VI.

Tear Sheet

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ABBREVIATIONS

AFEES	Armed Forces Examining and Entrance Stations
DOD	Department of Defense
GAO	General Accounting Office
VA	Veterans Administration
VEAP	Veterans' Educational Assistance Program

CHAPTER 1

INTRODUCTION

The Post-Vietnam Era Veterans' Educational Assistance Program (VEAP) was established by title IV of Public Law 94-502, enacted October 15, 1976. According to the authorizing legislation, the purposes of the program are (1) to provide educational assistance to those men and women who initially enter the Armed Forces 1/ after December 31, 1976, (2) to assist young men and women in obtaining an education they might not otherwise be able to afford, and (3) to promote and assist the all-volunteer military program by attracting qualified men and women to serve in the Armed Forces.

VEAP was created as a new "educational matching assistance program" to replace the GI Bill which is not available to individuals entering the services after December 31, 1976. However, it is distinctly different from the previous program.

PROGRAM DESCRIPTION

To be eligible for VEAP benefits, the service member must elect to participate and agree to have a monthly deduction made from his or her military pay. The deduction must be between $50 and $75 per month, be divisible by 5, and continue for at least 12 consecutive months (with two exceptions noted below), up to a maximum of $2,700. The service member's contribution is deposited in an education fund administered by the Veterans Administration (VA), and is matched $2 for every $1 by VA. Thus, a participant may accumulate an educational fund of $8,100 ($2,700 of his or her own contributions and $5,400 from VA matching funds). Also, VEAP legislation authorizes the Secretary of Defense, at his option, to contribute additional amounts, as the Secretary deems necessary or appropriate, to a person's education fund as an incentive for him/her to enter or remain in the Armed Forces.

1/Armed Forces as used in this report refers to the Army, Navy, Air Force, Marine Corps, and Coast Guard. VEAP also applies to employees of the Public Health Service and the National Oceanic and Atmospheric Administration; however, at the request of the Chairman, we limited our review to the "Armed Forces" as defined above.

A service member may discontinue enrollment or suspend participation in VEAP at any time after contributing for 12 consecutive months. (This requirement of 12 consecutive months of participation does not apply under conditions of personal hardship or where the participant is discharged or released from active duty.) If a participant discontinues enrollment before discharge or release from active duty, his/her contribution is refunded on the date of discharge or release or within 60 days of the date VA receives notice of the person's intent to disenroll. A former participant who discontinues enrollment after separation receives a refund within 60 days of the date VA receives the application for refund.

On completion of an initial tour of duty or 6 years of service, whichever comes first, participants become eligible for VEAP benefits. They are entitled to a maximum of 36 monthly benefit payments (or equivalent part-time benefit payments). If they enroll in an approved course of study, VA pays a monthly benefit equal to the total amount of contributions by the participant, VA, and the Secretary of Defense divided by the number of months during which the participant made contributions or 36, whichever is less. Benefits for less than a full-time program of education are prorated according to VA regulations. VEAP participants are also eligible for VA's predischarge education program during the last 6 months of their first enlistment and, if they qualify, for VA education loans while pursuing a course of study under VEAP.

VEAP benefits are available for use up to 10 years after discharge or release from active duty. At the end of this 10-year period, any unused portion of the individual's original contribution is refunded by VA upon application by the veteran.

VEAP is a 5-year pilot program. Unless the President and the Congress agree that VEAP should be continued, new enrollments will not be permitted after December 31, 1981. If VEAP is continued beyond December 31, 1981, the Department of Defense (DOD) will assume responsibility for its funding.

PROGRAM IMPLEMENTATION

All of the services have made provisions to inform prospective recruits of VEAP by providing information on the program to recruiters. These recruiters, who are generally the prospective recruits' first contact with the service, will provide information on VEAP if requested by the applicant or if, in the recruiters' opinion, emphasizing educational benefits will make military service more attractive.

Each of the four DOD components has implemented procedures to inform recruits of VEAP at Armed Forces Examining and Entrance Stations (AFEES), which are the facilities to which enlistees report for their physical and mental examinations, counseling, induction into the service, and subsequent transport to Army reception stations, or Navy, Air Force, or Marine Corps recruit training centers.

At the reception stations or recruit training centers, recruits are again informed of VEAP. At these installations they are given their first formally scheduled opportunity to enroll in the program by authorizing a deduction from their pay.

Several services have established procedures to inform service members of VEAP on a recurring basis during their tour of active duty. The Army, for example, requires that service members be briefed on VEAP on arrival at their first permanent duty station, annually thereafter, and at the time they are discharged from active duty. The Air Force has procedures to reinform 4-year service members of VEAP during their 12th month of service.

As discussed later in this report, the Coast Guard has not established any formal procedures to routinely inform eligible recruits of VEAP.

PROGRAM PARTICIPATION

During its first year of operation--January 1 through December 31, 1977--approximately 15 percent of the eligible service members enrolled in VEAP as shown in the table below.

Calendar Year 1977

Service	No. eligible (note a)	No. enrolled	Percent
Army	119,889	24,509	20
Navy	64,077	12,753	20
Marine Corps	32,410	2,568	8
Air Force	48,536	482	1
Coast Guard	3,829	256	7
Total	268,741	40,568	15

a/Includes only persons eligible for VEAP. We were informed that many of the 1977 recruits qualified for the old GI Bill by signing up under the Delayed Enlistment Program prior to January 1, 1977.

These percentages include rather low levels of participation during the initial months of operation of the program and are therefore not necessarily representative of the levels of participation which may be expected after the program is fully operational.

For example, a questionnaire given to a limited sample of eligible recruits showed higher participation rates for each service at the time of our visits to the various installations in January and February 1978. The questionnaire responses are discussed in more detail in chapter 2 and appendixes II and III.

SCOPE OF REVIEW

We reviewed VEAP legislation and implementing instructions and interviewed responsible officials of VA and of each service. We visited each reception station for enlisted personnel and observed the VEAP briefings which were given to recruits. We also visited several AFEES and recruiting stations to determine what procedures were used to inform new recruits of VEAP. During January and February 1978, in an effort to determine current VEAP enrollment rates, compare VEAP enrollees and nonenrollees, and gain some insight into why more recruits had not enrolled in VEAP, we administered questionnaires to 2,534 arbitrarily selected eligible recruits at 9 reception stations and training centers.

CHAPTER 2

OVERVIEW OF VEAP IMPLEMENTATION EFFORTS

Our review of the VEAP implementation efforts of VA, DOD, and the individual services disclosed some common factors which appear to have limited participation in the program. These include cognizant agencies not developing comprehensive program guidelines in a timely manner, variances and inaccuracies in program information provided to recruits, the timing and sequence of VEAP briefings within certain services, and a low opinion of VEAP which appears to be held by some of the personnel responsible for program implementation at the installation level. On the plus side, the VEAP implementation procedures established by each of the services, except the Coast Guard, appear to be adequate in terms of the number of times service members are exposed to the program.

COMPREHENSIVE PROGRAM GUIDELINES NOT DEVELOPED IN A TIMELY MANNER

As of May 30, 1978--17 months after VEAP was established--VA and DOD had not issued comprehensive joint guidelines for the implementation and administration of the program. Interim guidelines were developed by the individual services; however, they were issued on a piecemeal basis, tended to be somewhat general in nature, and contained inaccuracies. Without adequate information on how the program would operate, particularly with respect to requests for refunds and applications for benefits, service members were not in a position to make fully informed decisions on whether to participate in the program.

VA guidelines

VA published general information on VEAP in Department of Veterans' Benefits Circular 20-77-25, March 22, 1977. This circular provided a general description of VEAP and stated that specific procedures and detailed instructions for implementing the program would follow.

VA issued appendix A to the above circular on September 7, 1977, to provide temporary procedures for its field offices to use in response to refund requests and in processing applications for benefits. However, since the services were holding the contributions collected (VA did not establish the VEAP Education Fund until December 1977), appendix A only advised VA field offices to refer all refund requests to

the respective service, and to contact the VA central office for assistance in adjudicating a benefit claim.

VA issued change 1 to the circular on December 6, 1977, to notify VA field offices that all services, except the Navy, had begun to transfer contributions collected from VEAP participants to VA and to make the necessary revisions in earlier temporary procedures. After the Navy had completed its transfer of contributions, VA revised appendix A on February 28, 1978, to implement permanent procedures for handling refund requests and temporary procedures for handling benefit applications. The benefit procedures were quite limited--i.e., applications were to be referred to VA's central office for further processing. The revised appendix A stated that due to the limited number of expected benefit applications, detailed procedures were not being published at that time on how VA would administer benefit payments under the program.

We noted that personnel giving VEAP briefings at several installations could not adequately answer some of the questions which recruits asked, particularly those dealing with how VA would administer program benefits and refunds. Because the monthly contributions required of VEAP participants represent a significant percentage of their take-home pay, service members may hesitate to sign up for the program if there is any uncertainty as to how they will recover their investment.

DOD guidelines

DOD has provided limited guidance to the services regarding the implementation and administration of VEAP. However, DOD established procedures to ensure that new recruits were made aware of their eligibility for VEAP and ineligibility for the old GI Bill.

In December 1976, DOD issued a memorandum to the services stating that joint directives were being developed by VA and DOD to implement VEAP. The memorandum stated that in the interim, each service should take action to ensure that persons initially entering active duty on or after January 1, 1977, (1) were informed of their right to participate, (2) completed a DD form 2057 entitled "Contributory Educational Assistance Program--Statement of Understanding" (see app. I), and (3) received an opportunity to enroll. Part I of DD form 2057 provides general information regarding the service member's eligibility for VEAP, the required $50 to $75 per month contribution, the minimum requirement for 12 months participation, and the $2 for $1 matching benefits.

Part I of the form also emphasizes that persons entering the service after December 31, 1976, are not eligible for benefits under the former GI Bill. On part II of the form, eligible service members indicate their intention to enroll in VEAP.

DOD's Office of Information for the Armed Forces has an "Information Guidance Series" program for quickly disseminating current information and policy matters to Armed Forces commanders and personnel. DOD used this program in February 1977 to disseminate information describing requirements and benefits of VEAP and changes in the old GI Bill, including its termination date. However, DOD has not published any additional VEAP information or guidance.

We believe the information was incomplete because it did not point out that VEAP participants may be eligible for certain other VA benefits such as the education loan program.

Joint VA/DOD guidelines

The authorizing legislation requires that the Administrator of Veterans Affairs and the Secretary of Defense jointly issue regulations prescribing certain definitions, terms, and conditions regarding suspension, termination, and reenrollment in VEAP. Although VA and DOD initiated work in October and November 1976 on joint VEAP regulations through conferences attended by representatives of both agencies and the various services, these regulations had not been finalized as of May 1978.

Guidelines issued by the various services

Recognizing that VA and DOD would not distribute formal guidelines for administering VEAP before the January 1, 1977, effective date, the Army, Navy, Air Force, and Marine Corps issued interim guidelines in late 1976 to implement the program and begin the collection of contributions from program participants. The Army, Marine Corps, and Navy also issued procedures pertaining to discontinuing enrollment under financial hardship circumstances in February, May, and August 1977, respectively. However, these guidelines covered only the processing of requests to discontinue enrollment and provided no information regarding what constituted financial hardship. The absence of information regarding conditions under which they could discontinue may have discouraged some eligible service members from enrolling in VEAP.

The Coast Guard has not issued comprehensive guidelines to its installations on the implementation and administration of VEAP. Interim guidance issued by the Commandant of the Coast Guard in November 1976 and March 1977 contained only a brief description of VEAP, outlined administrative procedures for handling VEAP allotments, and stated that complete details on the program, including benefits, would be provided at a later date. The interim guidance did not establish any procedures to insure that Coast Guard recruits were adequately informed about VEAP and given an opportunity to enroll in the program. Also, the complete details on VEAP promised in the interim guidance had not been issued as of May 1978.

Although each of the services had issued some form of interim guidelines before the January 1, 1977, effective date of the program, some of the installations we visited did not begin giving VEAP briefings and collecting participant contributions until March or April 1977. According to DOD officials, the delay in initiating VEAP briefings was not a significant factor in limiting VEAP participation because most of the recruits inducted in early 1977 were from the Delayed Enlistment Program and were eligible for the old GI Bill. One Coast Guard installation did not initiate VEAP briefings until February 1978, after we started our fieldwork.

PROGRAM INFORMATION PROVIDED TO RECRUITS VARIED AMONG THE INDIVIDUAL SERVICES

VEAP information presented to eligible recruits by education counselors and training personnel varied among the individual services, and, in some instances, the information provided was inconsistent with the law. This was partly due to the lack of comprehensive VEAP guidelines discussed in the preceding section, inconsistencies in the limited guidelines issued by VA and DOD, and inaccuracies in the information issued by the individual services. This incorrect information may discourage or otherwise limit participation in the program.

The authorizing legislation states that VEAP enrollees must participate in the program for at least 12 consecutive months unless they suspend or discontinue enrollment because of personal hardship or they are discharged or released from active duty. The legislation states further that a participant shall be permitted to suspend participation or discontinue (for any reason) at the end of any 12-consecutive-month-period of participation.

DOD's Information Guidance Series contained the following interpretation regarding the 12-month participation requirement:

> "* * * except in certain emergencies, a member who decides to participate in the Veterans Educational Assistance program must allot the agreed-upon amount for at least 12 consecutive months and if the contribution allotment goes beyond that period it must be for another 12 consecutive month period * * *."

Based on this guidance, the Air Force published information stating that VEAP participants must agree to contribute in 12-month increments (12, 24, or 36 months) with a 36-month maximum. This means that service members would have to contribute the maximum amount of $75 per month for the 36-month period in order to earn full VEAP benefits. It also means that service members may not discontinue enrollment for reasons other than hardship except at the end of each 12-month period. These restrictive interpretations might have contributed to the Air Force's relatively low VEAP participation rate.

In contrast, Navy and some Army recruits were told that they could participate for more than 36 months up to a maximum of $2,700. In addition, both the Army and Navy permit service members to discontinue enrollment for any reason at any time after the initial 12 consecutive months of participation.

Army and Marine Corps recruits were also told during their scheduled VEAP briefing that they could not enroll in the program if they had less than 12 months obligated service remaining. Navy recruits, on the other hand, were told that they could enroll with less than 12 months obligated service and earn partial VEAP benefits.

The restrictive interpretations discussed above differ with the provision in Department of Veterans' Benefits Circular 20-77-25. The circular states that participants may suspend or stop enrollment without hardship at the end of any 12-consecutive-month block, or at the time of discharge or release from active duty, and that this does not eliminate persons with less than 12 months remaining in their period of service from enrolling in the program.

We also noted other variances and discrepancies between the information released by VA and that provided to recruits by the individual armed services. Some examples are:

--Navy recruits were told during one briefing that VEAP benefits could not be used for vocational training.

--Navy recruits were also told that retroactive VEAP enrollments could be made through lump-sum payments.

--An Army counselor told recruits in one briefing that they could save for 1, 2, or 3 years; that 36 months was the maximum participation period; and that they could not change their allotments during the first year.

We believe that such incorrect information as shown above might have discouraged some eligible service members from enrolling in VEAP. It also shows a need for greater coordination between VA, DOD, and the services.

IMPROVEMENTS NEEDED IN TIMING AND SEQUENCE OF VEAP BRIEFINGS

The Army, Navy, Air Force, and Marine Corps have implemented procedures to provide eligible service members with frequent exposure to VEAP. Recruits eligible for VEAP entering these services generally have opportunities to be informed about VEAP by recruiters, at the AFEES, during reception station processing or basic training, and at various times after assignment to their permanent duty locations. However, we believe that some services should change the timing and sequence of VEAP briefings.

As previously stated, the Coast Guard has not formally established procedures to inform its eligible members of VEAP.

Timing of briefings

The timing of VEAP counseling sessions and scheduled enrollment opportunities during recruit training is important because persons with 3-year enlistments must contribute the maximum of $75 each month for 36 months in order to qualify for full VEAP benefits during their initial tour of duty.

However, the Marine Corps does not provide its recruits with their initial VEAP briefing and enrollment opportunity until they are about 2 months into basic training. At one location they were told that this scheduling eliminated any opportunity for 3-year enlistees to take full advantage of VEAP during their initial tour of duty. In contrast, the Army provides its recruits with a VEAP briefing and enrollment opportunity within their first 2 or 3 days of active duty.

VEAP briefings were sometimes scheduled to be in unfavorable competition with other contributory programs. For example, at one Coast Guard installation, recruits were strongly encouraged to initiate U.S. savings bond allotments (including a promise of extra liberty for their platoon if 100-percent participation was achieved) immediately before they had the opportunity to fill out VEAP allotments. A recruit who has already made out an allotment for savings bond deductions may be somewhat reluctant to make out another allotment to deduct an additional $50 to $75 a month from take-home pay for VEAP.

Sequence of VEAP briefings

Two services provided recruits with a scheduled opportunity to make an allotment for VEAP before they received their detailed briefing on the program. As a result, they were not in a position to make a fully informed decision about VEAP participation.

Air Force recruits receive an abbreviated VEAP briefing during their third week of basic training, and within 2 days, are given a scheduled opportunity to enroll in the program. About 1 week later they are given a more detailed VEAP briefing. We observed that recruits showed a greater interest in VEAP during the latter, more detailed briefing; however, they were not given another scheduled opportunity to enroll.

The Navy recruits have an initial VEAP briefing and enrollment opportunity during their first 2 weeks of basic training and a second briefing 3 to 6 weeks later. At one location the initial briefing was abbreviated and based on the limited information contained on the DD form 2057. An enrollment opportunity followed within 2 days of this initial briefing. The second briefing covered all Navy educational opportunities and benefits and contained additional information on VEAP. No scheduled enrollment opportunity followed the second briefing.

To insure that eligible recruits make fully informed decisions about VEAP participation, more comprehensive and detailed briefings should be given before the scheduled enrollment opportunities.

SOME PERSONNEL INVOLVED IN VEAP IMPLEMENTATION APPEAR TO HAVE LOW OPINION OF PROGRAM

Although most of the VEAP briefings we observed were presented in a neutral manner (i.e., participation was

neither encouraged nor discouraged), our discussions with service personnel responsible for VEAP implementation at the installations we visited indicated that some have a low opinion of the program. We believe such opinions cannot help but affect VEAP presentations to some extent, particularly those not attended by third-party observers such as our representatives, and might limit or discourage VEAP enrollment.

The VEAP briefings observed at the nine installations visited ranged from one Army reception station where recruits were actively encouraged to enroll, to the two Marine Corps training depots where recruits were discouraged from enrolling until after they arrived at their next duty station. Most VEAP briefings were generally presented in a neutral manner. Although we do not know to what extent our presence might have affected these presentations, it is interesting to note that some of the service personnel who conducted their VEAP briefings in a neutral manner actively encouraged the same recruits to make out allotments for other purposes such as U.S. savings bonds or the local Federal credit union.

We believe this is due, in part, to a low opinion of VEAP which appears to be shared by some of the recruiters, education counselors, and training personnel responsible for informing recruits about the program. For example, recruiters and officials of recruiting commands told us that many recruiters feel that VEAP is a poor substitute for the GI Bill and that they use it as a recruiting incentive only if a prospective enlistee shows an interest in education benefits.

Officials at four locations--one Army, one Navy, and both Coast Guard installations--stated that VEAP enrollment may be counterproductive to reenlistment efforts. These officials believe VEAP participants may leave the service after one enlistment to take advantage of VEAP benefits which are more readily attainable after discharge than while on active duty.

A high ranking official at one location stated that he did not advocate encouraging recruits to enroll in VEAP, especially while they were in basic training, and added that he would not permit anyone under his command to encourage recruits to enroll. He explained that during the first year, recruits are unable to accurately predict their financial needs and have very little money to spare. They are also somewhat apprehensive during basic training and will sign anything if told to do so.

Personnel giving VEAP briefings at two training installations actually discouraged recruits from immediately enrolling in VEAP by suggesting that the recruits wait until they reach their next duty station before deciding whether to participate. In this regard, our review indicated that very few service members enroll in VEAP after they complete basic training and are assigned to a permanent duty station.

Other examples of negative attitudes regarding VEAP include:

--An official at one location stated that VEAP was good for only a select few: e.g., those who are goal oriented, who can budget their money, and who have no personal commitments, such as marriage.

--Officials at several installations expressed the opinion that the minimum VEAP contribution was too high for recruits to pay.

--The officials responsible for VEAP briefings at one location stated that (1) VEAP was a reenlistment disincentive, (2) it required long-term planning which does not appeal to recruits, (3) its maximum of $8,100 was inadequate for 4 years at college, (4) one's money is "locked up" until the end of his/her first enlistment, and (5) the required contribution represents a significant percent of a recruit's pay.

--Officials at one installation stated it was unfair for the Government to hold the VEAP participant's contributions for several years and then refund them without interest if the participant chose not to go to school. The officials added that this constitutes an interest-free loan to the Government from a service member who cannot afford it. (The subject of interest was also frequently raised by recruits in the briefings we attended.)

We made no attempt to assess the validity or reasonableness of the opinions expressed by various service representatives. However, some of the opinions coincide with reasons given by recruits for not enrolling in VEAP, as discussed in the following section of this chapter. We also believe that negative opinions of VEAP held by some of the individuals responsible for program implementation could influence their efforts to inform recruits about VEAP and therefore discourage participation.

RESULTS OF QUESTIONNAIRES ADMINISTERED TO RECRUITS

During January and February 1978 we administered questionnaires to 2,534 recruits eligible to participate in VEAP at 9 reception stations and training centers in an effort to determine why they were electing not to participate in VEAP. The recruits included in our sample were arbitrarily chosen rather than on a random sampling basis to avoid disruption of normal training schedules. Therefore, care should be taken in the use of the questionnaire results.

Out of the 2,534 respondents, 512 or about 20 percent indicated that they had enrolled in VEAP, compared to a 15 percent combined participation rate for all services for calendar year 1977. The participation rates for the individual services are shown in the table below.

Service	No. eligible	No. enrolled	Percent
Army	773	251	32
Navy	492	105	21
Marine Corps	570	72	13
Air Force	498	18	4
Coast Guard	201	66	a/33
Total	2,534	512	20

a/The Coast Guard participation rate might not be representative for that particular service. Although we visited both Coast Guard training centers, we administered our questionnaire only at the Alameda center where recruits were given a scheduled opportunity to enroll in VEAP.

Of the 512 recruits who enrolled in VEAP, 59 percent made the minimum contribution of $50 per month, 28 percent made the maximum contribution of $75 per month, and the remaining 13 percent made contributions ranging from $55 to $70 per month.

The 2,022 nonparticipating eligible respondents most frequently checked the following reasons (some checked more than one reason) for not enrolling in VEAP:

--48 percent stated they planned to enroll later. 1/

--39 percent stated they had not decided on future educational goals.

--36 percent stated they could not afford to make the required contributions.

--35 percent stated they intended to complete their education while in the service.

The nonparticipants were also asked whether they would have enrolled in VEAP if the minimum monthly contribution were reduced. Of the 1,824 recruits who responded to this question, about 61 percent indicated that they would have enrolled if the minimum were $25. This ranged from a low of about 49 percent for Army recruits to a high of 79 percent for Air Force recruits.

Additional information and demographic data derived from our questionnaire are contained in appendixes II and III.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

VEAP is a relatively new 5-year pilot program designed to promote and assist the all-volunteer armed forces program in attracting qualified persons to serve by offering educational assistance to young men and women who might not otherwise be able to afford an education. Because VEAP is only in its second year of operation, it is too early to assess the effectiveness of the program in achieving its intended objectives.

However, our review disclosed several factors which appear to have limited participation in the program. These include failure of the cognizant agencies to develop comprehensive program guidelines in a timely manner, variances and inaccuracies in program information provided to recruits, the timing and sequence of VEAP briefings within certain services, and a low opinion of VEAP which appears to be held by some of the personnel responsible for program implementation at

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1/The recruits who stated they planned to enroll later may not necessarily do so. Most installations reported very few enrollments by permanent duty personnel.

the installation level. Although the briefings we attended were generally presented in a neutral manner, the negative views of the program cannot help but have some effect on the VEAP presentations given to eligible recruits, and may limit or discourage VEAP enrollment.

In addition, many of the service personnel responsible for VEAP implementation and over half of the eligible recruits who did not enroll in the program indicated that the required minimum contribution of $50 per month was too high and tended to discourage participation, particularly for lower rank enlisted personnel. Another area of concern was that the Government may hold a VEAP participant's contributions for several years and then refund them without interest if the participant decided not to go to school. While this does not present any particular problem for service members who definitely plan not to go to school, it does present a quandary for eligible service members whose post-service education plans are uncertain at the time they enlist. If they apply for VEAP and eventually pursue an education, their contributions may be considered a worthwhile investment. However, if they enroll in VEAP and later decide against pursuing a post-service education, they would be better off financially if they had invested their funds in U.S. savings bonds or some other type of savings program.

Recommendations

We recommend that the Administrator of Veterans Affairs and the Secretary of Defense take action to finalize and expedite the issuance of the joint VEAP regulations which were being developed by VA and DOD at the conclusion of our review.

We also recommend that the Secretary of Defense

--take action to insure that VEAP training materials and the information presented to eligible recruits by the various services are consistent, complete, and accurate, and that the recruits receive their indepth VEAP briefing before their scheduled enrollment opportunity and

--monitor the implementation of VEAP by the various services to determine the reasons for the present disparity in participation rates.

We recommend that the Commandant of the Coast Guard establish procedures to insure that all eligible recruits are thoroughly briefed on VEAP and are provided with a scheduled opportunity to enroll in the program.

AGENCY COMMENTS

DOD stated that it concurred with our recommendations and would take the following corrective actions:

--Expedite publication of the joint VA/DOD Veterans' Educational Assistance Program regulations.

--Develop a comprehensive, standardized VEAP presentation for DOD-wide use.

--Insure that the services present the VEAP briefings at recruit training centers before the scheduled VEAP enrollment opportunities.

--Track service participation rates and trends. (See app. IV.)

The Department of Transportation also concurred with our findings and recommendations. The Department of Transportation indicated that Coast Guard policy was being amended to require that recruit training centers brief all trainees about VEAP and provide recruits with an opportunity to enroll. It also said that instructions would be published providing guidance in application, termination, and suspension procedures. (See app. V.)

VA also concurred with our recommendation and stated it had completed and sent the comprehensive guidelines for implementing VEAP to DOD on June 26, 1978. (See app. VI.)

CHAPTER 3

EFFORTS OF THE DEPARTMENT OF THE ARMY IN VEAP

The Department of the Army's stated policy is to actively encourage service members to take advantage of VEAP. The Army has issued instructions which require that eligible personnel be informed about VEAP at AFEES, reception stations, new permanent duty stations, annually during their first term of enlistment, and when separating from the Army. Although Army personnel generally followed the Army directive to inform eligible recruits about VEAP, they generally did not actively encourage recruits to enroll. We attended VEAP briefings at all seven reception stations, and noted that incomplete and/or inaccurate information was provided to new recruits which, in our opinion, might have discouraged or tended to limit participation in the program.

ARMY GUIDELINES

To implement VEAP, the Army issued DA Circular 621-14 on December 6, 1976, and several other messages and publications in late 1976, which explained the provisions of the program and assigned responsibilities for its implementation. The Army's policy, as stated in the circular, is to actively encourage service members to take advantage of VEAP.

According to the circular, the Army Recruiting Command is responsible for advertising VEAP and conducting an outreach program to explain it to all prospective recruits.

The circular also provides that, during enlistment processing at AFEES, each recruit will complete part I of DD form 2057 to indicate his or her understanding of VEAP and its benefits.

Army policy further requires that, during reception station processing, each recruit will be briefed, preferably by an education counselor, on the benefits of VEAP and will be offered an opportunity to enroll in the program.

The circular also requires education counselors to explain VEAP to eligible service members (1) within 30 days after their arrival at a permanent duty station, (2) annually during their first enlistment, and (3) during separation processing.

PROGRAM IMPLEMENTATION

Army personnel assigned to recruiting stations, AFEES, reception stations, and permanent duty stations generally followed the Army directive to inform eligible service members about VEAP. However, they generally did not actively encourage enrollment in the program.

Recruiting stations

Army Recruiting Command newsletters and magazines were used initially to inform recruiters about VEAP. However, recruiters were encouraged to promote the old GI Bill as a selling tool while it was still available because of its advantages over VEAP. After the old GI Bill expired, the Army began to provide its recruiters with VEAP pamphlets and promotional materials.

Some recruiters told us that they inform every prospective recruit about the program. Other recruiters said they mention VEAP only to those prospects who are interested in the Army's educational opportunities. In addition, some recruiters assist recruits in completing part I of DD form 2057, even though DA Circular 621-14 assigned this responsibility to Army guidance counselors at AFEES.

AFEES

Army guidance counselors at AFEES have been assigned responsibility for insuring that the recruits understand VEAP. When Army recruits report to AFEES, guidance counselors assist them, on an individual basis, in completing part I of DD form 2057 (if this has not already been done by a recruiter). During this informal process, which lasts about 5 minutes, counselors explain the program using the information on the form, answer any questions the recruit may ask, and instruct the recruit to sign the form. Some counselors also give VEAP information pamphlets to recruits. Army guidance counselors at some AFEES we visited stated that their responsibility is to inform recruits about VEAP rather than to encourage them to enroll in the program.

Reception stations

Army recruits go from AFEES to one of seven reception stations 1/ for further processing before assignment to a basic training unit. The reception stations process about 180,000 recruits annually. During this 2- to 3-day process, each recruit is briefed on the benefits of VEAP and provided an opportunity to enroll.

We visited each of the seven Army reception stations to discuss the efforts being made to inform Army recruits of VEAP and to observe the actual VEAP briefings.

Our work showed that Army recruits were briefed on VEAP during their first or second day at the reception station. Education counselors gave the briefings at four reception stations while administrative personnel from the finance or personal affairs office gave them at the other three. The briefing sessions were usually between 5 and 15 minutes and were followed by a brief question and answer period. At some briefings, visual aids or handouts were used; at others, the presentation was strictly lecture. At some reception stations, VEAP briefings were given to large groups of 200 to 300 recruits; at others, briefings were given to small groups of 40 to 50 recruits.

At most reception stations, the individuals giving the briefings provided information about the program, but did not encourage the recruits to enroll. Immediately after the briefing or at the latest on the following day, the recruits were provided the opportunity to enroll in VEAP at a one-to-one personal affairs interview. During this interview, recruits also authorized other allotments from their pay.

Officials at one reception station said that they were concerned that the volunteer Army would be affected if VEAP were successful, in that it was an inducement for persons to leave the service rather than reenlist. They also said that asking recruits to participate in VEAP, withholding their moneys, and then paying no interest

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1/Ft. Bliss, Texas; Ft. Dix, New Jersey; Ft. Jackson, South Carolina; Ft. Knox, Kentucky; Ft. Leonard Wood, Missouri; Ft. McClellan, Alabama; and Ft. Sill, Oklahoma.

on the funds if they decided not to go to school was unfair. They said this constituted an interest-free loan to the Government from service members who could not afford it, and that the program was "too expensive" for new recruits, especially those who were married.

Information on VEAP was often inaccurate

We attended one or more VEAP briefings at each of the seven Army reception stations. At every installation recruits were being provided with inaccurate and/or incomplete information about VEAP. In our opinion, this incorrect information or lack of information might limit participation in the program.

At Forts McClellan, Sill, Jackson, and Bliss, recruits were told that the maximum number of months during which contributions may be made was 36, even though they may have enlisted for 4 years. In effect, recruits were being told that they must contribute the maximum allowed amount of $75 per month if they wanted full benefits from VEAP. This conflicts with the enabling legislation which permits service members to contribute between $50 and $75 for as many months as necessary to accumulate $2,700 in contributions.

At Forts McClellan and Sill, recruits were told that they must contribute in 12-month increments even though the law contains no such restriction.

At Forts Knox, Bliss, Leonard Wood, and Sill, recruits were told that if they left VEAP after contributing for 12 months they would not be refunded their moneys until they were discharged except in hardship cases. Again, this information conflicted with a published VA circular which provides that VEAP participants will receive refunds on their date of discharge or within 60 days after VA receives notice of their discontinuance.

At Forts McClellan and Bliss, recruits were told they could not enroll in VEAP with less than 12 months remaining on active duty, even though the law specifically allows service members to enroll at any time while on active duty.

Recruits at another reception station were erroneously told that they could not change the amount of their monthly contribution during the first 12 months of participation.

In addition to noting that recruits were provided inaccurate information, we noted that most briefings were incomplete because they did not contain information on the other benefits of enrolling in VEAP, such as possible eligibility for the VA education loan program while receiving education benefits under VEAP.

Permanent duty stations

Education counselors at permanent duty stations brief eligible service members on VEAP and tell them how to enroll. These procedures vary among permanent duty stations. For example, the education counselors at some locations explained VEAP to large groups of service members, whereas, at other locations counselors provided VEAP information on a one-to-one basis.

Generally, permanent duty stations do not maintain statistics on the number of service members who enroll in VEAP. However, education counselors told us that very few permanent duty personnel are interested in VEAP, and we noted that only about 40 percent of the eligible service members at Fort Bliss and 18 percent at Fort Dix attended VEAP briefings during January and February 1978.

CHAPTER 4

EFFORTS OF THE DEPARTMENT OF THE AIR FORCE IN VEAP

The Air Force has established procedures to provide adequate exposure of VEAP to eligible recruits and to provide those who wish to enroll the opportunity to do so. However, the interim VEAP information published by the Air Force and provided to recruits contained some inaccuracies. Also, we noted that the sequence of the VEAP briefings and scheduled enrollment opportunity at the Air Force Military Training Center (located at Lackland Air Force Base) and the low opinion of VEAP held by some Air Force officials might have limited participation in the program.

AIR FORCE GUIDELINES

In December 1976, the Air Force issued interim instructions explaining VEAP and implementing the program as of January 1, 1977. The Air Force provided further instructions in January, March, and November 1977 to establish allotment administration procedures, to more clearly define certain eligibility criteria, to implement the use of DD form 2057, and to provide for counseling of permanent duty service members.

The December 1976 instructions required Air Force personnel to brief recruits on VEAP during basic training and allow them to enroll by completing pay allotment authorization forms. The March 1977 instructions stated that part I of DD form 2057 would be completed as prescribed by DOD (before entry on active duty). Also, the instructions required base education officers to counsel eligible service members on VEAP during inprocessing at their first permanent duty station. Subsequent instructions issued in November 1977, required that eligible permanent duty personnel be counseled again during their 12th month of active duty.

The March 1977 instructions stated that part II of DD form 2057, on which recruits indicate their understanding of VEAP and intention to enroll in the program, did not apply to the Air Force. In February 1978, however, the Air Force rescinded this provision and directed that all recruits complete part II of the form.

Inaccurate information

We noted that (1) an Air Force message, issued in January 1977, stated that the maximum amount that could be allotted by a service member for deposit with VA was $2,700 (36 months at $75) and (2) Air Force briefing material for VEAP referred to it as a 3-year program. Also, an Air Force recruiting news release stated that recruits could only enroll in 12-month increments and indicated that the only way to achieve maximum benefits was to contribute $75 each month for 36 months.

We believe the Air Force has been overly restrictive in its interpretations of the VEAP legislation and that these restrictions might have discouraged some eligible recruits from enrolling in VEAP. The inaccurate information discussed above, for example, omits the possibility for 6-year enlistees to contribute $50 monthly for 54 months or for 4-year enlistees to use some combination of contribution rates.

PROGRAM IMPLEMENTATION

Air Force personnel assigned to recruiting stations, AFEES, the Air Force Military Training Center, and permanent duty stations, generally followed the available Air Force guidance to inform eligible service members about VEAP. However, they did not encourage and in some instances might have discouraged VEAP enrollment. VEAP procedures followed at each activity are discussed below.

Recruiting stations

Although no Air Force directive requires recruiters to inform potential recruits about VEAP, most recruiters we interviewed said they routinely do so. Some recruiters have potential recruits complete part I of DD form 2057 and give interested persons VEAP fact sheets. However, Air Force recruiters stated they do not normally use VEAP as an incentive to secure enlistments. We also noted that recruiters generally emphasized the Air Force's inservice educational opportunities, rather than VEAP. Furthermore, the inaccurate information discussed in the previous section was disseminated through the recruiting service and was given to recruits.

AFEES

In most cases, the Air Force guidance counselors at the AFEES briefly explain VEAP to recruits using DD form 2057 as a visual aid. Generally, the recruits read and sign part I of the form indicating that they have been informed about VEAP provisions. The Air Force counselors we talked to did not encourage VEAP participation. At one AFEES we visited, the Air Force counselor knew very little about the program.

Air Force Military Training Center

The Air Force Military Training Center provides training for officers and airmen of the Air Force, Air Force Reserve, and Air National Guard, and civilian employees from the Air Force and other DOD agencies. It is the only training center which provides basic training to Air Force enlisted recruits.

Air Force recruits enter basic training immediately upon arrival at the Center. Basic training lasts 6 weeks and from 8,000 to 8,500 recruits are in training at any given time. The Center expects to train about 85,000 new recruits in fiscal year 1978.

In March 1977, the Center established procedures to provide recruits with adequate exposure to VEAP and an opportunity to make allotments. However, during our visit we identified a flaw in the sequence of VEAP briefings and the scheduled opportunity to make allotments. Center instructors briefed recruits on VEAP on their 12th (females) or 13th (males) day of basic training and again on their 18th day. The initial briefings lasted about 10 minutes and were intended primarily to inform recruits of VEAP's benefits and eligibility requirements. On their 14th day, the recruits were scheduled to make any desired allotments at the accounting and finance office and therefore had the opportunity to enroll in VEAP by completing allotment authorizations.

The 18th-day briefing provided more detailed information on VEAP and also included a question and answer session. This 20- to 25-minute briefing was part of a 3-hour career advancement class which also included information on other Air Force educational opportunities. Neither briefing included information regarding VEAP participants' eligibility for other VA benefits such as the VA education loan program.

In our opinion, the recruits may not have had adequate information on which to base their decisions on whether to enroll in VEAP when they had the scheduled enrollment opportunity on the 14th day. We believe the recruits could have made more informed decisions after the 18th-day briefing. Center officials said they would revise the training schedule so as to provide a comprehensive VEAP briefing on the 8th day. The 18th-day briefing would then be dropped.

During the briefings, the instructors discussed VEAP's merits; however, we noted that they did not encourage enrollment in the program. Instead, the instructors emphasized using the Community College of the Air Force for inservice education by highlighting the Air Force's 75-percent share of tuition costs for inservice education.

An Air Force official at the Center stated that VEAP was not an effective recruiting incentive and recruits should not be encouraged to enroll and he would not permit anyone under his command to do so. He explained that during the service members' first year they have very little money and might not be fully aware of their potential inservice financial needs; however, they are somewhat apprehensive about the service and will sign anything if told to do so.

We believe the negative view of VEAP held by Air Force officials at Lackland, combined with the emphasis placed on inservice education programs, has an effect on the presentation of VEAP to Air Force recruits and might have discouraged or otherwise limited participation in the program.

Permanent duty stations

Air Force Regulation 213-1 (as revised in March 1977) and supplemental messages from Air Force headquarters require that guidance counselors interview and counsel all service members on educational opportunities, including VEAP, within 30 days after they arrive at their first and subsequent duty stations and during their 12th month of active duty. The Center education office staff counsels permanent duty personnel concerning the Air Force's educational opportunities within 30 days after their arrival at Lackland. They discuss VEAP in detail with eligible service members and refer them to the accounting and finance office if they wish to enroll. The education office also provides the required VEAP counseling for service members during their 12th month of active duty. Education office records at Lackland showed that none of the 22 service members counseled during January and February 1978 enrolled in VEAP.

CHAPTER 5

EFFORTS OF THE DEPARTMENT OF THE NAVY IN VEAP

In August 1977, the Navy issued instructions which required that eligible service members be informed of VEAP prior to entry on active duty, during recruit training, upon arrival at their initial permanent duty station, and periodically, thereafter, at career counseling interviews.

Navy personnel generally followed the available Navy guidance to inform eligible service members about VEAP. However, in observing VEAP briefings at the training centers, we noted that recruits were sometimes provided inaccurate and/or incomplete information about the program.

NAVY GUIDELINES

The Navy's notice implementing VEAP--OPNAV Notice 1760--was published on August 29, 1977, almost a year after VEAP was established by Public Law 94-502. In the interim, the Navy issued messages (1) summarizing the provisions of VEAP, (2) promulgating instructions for preentry counseling of all prospective recruits concerning their eligibility for VEAP, and (3) outlining procedures for authorizing VEAP allotments.

According to the notice, Navy representatives should inform recruits about VEAP before they enter active duty and have them complete part I of DD form 2057 to indicate that they understand the program. During basic training, Navy personnel should again brief the recruits on VEAP and give them an opportunity to enroll by completing part II of DD form 2057. The notice further provides that enlisted service members will be counseled about VEAP at the time they report to their first permanent duty station and periodically, thereafter, during regularly scheduled career counseling interviews.

PROGRAM IMPLEMENTATION

Recruiting stations

Although no requirement exists for Navy recruiters to inform prospective recruits about VEAP, most recruiters we

talked to said that they routinely do so regardless of whether the recruits express an interest in furthering their education. Although the recruiters did not use the program as a selling tool, they often pointed out that VEAP was a good savings program even if the recruit did not elect to use the contributed funds for education. Some Navy Recruiting District Commands directed local Navy recruiters to have recruits complete part I of DD form 2057.

AFEES

Navy guidance counselors at AFEES counsel recruits individually about VEAP and give them the opportunity to read DD form 2057 and ask any questions they have about the program. Recruits then sign part I of the form as required (if this has not already been done by a recruiter), and are told they will have the opportunity to enroll in VEAP at basic training.

Naval Recruit Training Centers

The recruit spends 8 weeks in basic training at one of the three Naval Recruit Training Centers located at Orlando, Florida; Great Lakes, Illinois; and San Diego, California. These centers train approximately 106,000 male recruits and 6,000 female recruits each year. All female recruits receive basic training at Orlando. The content, scheduling, and responsibility for VEAP briefings and enrollment activities vary somewhat at the three centers.

At Great Lakes, recruits are initially briefed on VEAP during their first day of training; at San Diego on the first, second, or third day; and at Orlando on the second day of the second week of training.

At Orlando and Great Lakes, administrative personnel provide 15-minute VEAP briefings to groups of about 80 and 150 recruits, respectively. The briefings are usually followed by a 10- to 15-minute question and answer period. Immediately after the briefings, recruits have the opportunity to enroll during one-to-one interviews with administrative clerks at which they also authorize other allotments from their pay.

At San Diego, the company commander provides a 5-minute briefing on VEAP to a group of about 80 to 90 recruits in the barracks at some point during the first 3 days of

training. Although we did not attend any of these briefings, we were told that the barracks briefings consisted of a reading of highlighted sections of the DD form 2057. On the 4th day, administrative clerks briefly describe VEAP to recruits just before they complete part II of DD form 2057 and start allotments if they elect to enroll.

Recruits at all three locations receive a briefing on educational programs and benefits 3 to 6 weeks after the original VEAP briefing. The briefing includes information on inservice education as well as GI Bill and VEAP benefits; however, there is no scheduled opportunity to enroll in VEAP at this time.

Information on VEAP is inaccurate

We attended VEAP briefings at each of the three Navy reception stations and found that recruits were being provided inaccurate information about VEAP.

At Great Lakes, recruits were erroneously told that if, during active duty they did not contribute the maximum $2,700, after discharge they could make one lump-sum payment to bring their contribution to the maximum. Recruits were also told that during the first 12 months of participation in VEAP they could increase but could not decrease their monthly contributions.

At San Diego, recruits were told that they must have 12 months remaining on active duty to sign up for VEAP and that VEAP benefits could not be used to attend vocational schools.

At Orlando, during the 6th-week briefing, recruits were told that they could make a maximum of 36 monthly contributions to VEAP.

In addition to being inaccurate, the Navy briefings at all three locations were incomplete because they did not include any information on the other benefits of participating in VEAP such as eligibility for the VA education loan program.

Permanent duty stations

Newly assigned permanent duty personnel at Orlando and Great Lakes must check in with the Command Educational

Services Officer. Service members are counseled on VEAP at this time if they are eligible and have not already enrolled in the program. However, these services officers only started VEAP counseling when they received the Navy notice in August 1977 and January 1978, respectively. No similar procedure exists at San Diego.

At Great Lakes, the Command Career Counselor counsels all service members when they report to the Administrative Command and again at the 18-month point in their careers. The counselor includes VEAP information in these sessions.

The Navy Campus for Achievement Program provides a network of civilian schools and programs for Navy service members to attend during their off-duty hours. Counselors for this program do not seek out people to counsel; however, they provide information on VEAP to eligible service members on request, but neither encourage nor discourage enrollment.

CHAPTER 6

EFFORTS OF THE MARINE CORPS IN VEAP

The Marine Corps has established procedures to provide exposure of VEAP to eligible enlistees and to provide those who wish to enroll the opportunity to do so. However, the limited guidance which was available contained some inaccurate and misleading information. Our review showed that Marine recruits were given inaccurate information during VEAP briefings. We also noted that the timing of the VEAP briefings at the Marine Corps recruit depots and the negative attitude shown toward VEAP by Marine Corps personnel giving the VEAP briefings actually discouraged participation in the program.

MARINE CORPS GUIDELINES

In December 1976, the Commandant of the Marine Corps issued a memorandum which introduced VEAP and provided interim guidance on the content and use of DD form 2057. Then, in January 1977, the Commandant issued an information package for possible use by Marine Corps counselors assigned to AFEES to further inform applicants about VEAP. The suggested briefing contained in this package included the following erroneous information on participating in the program in 12-month increments and obtaining refunds under hardship circumstances. The information package stated:

> "* * * When you sign up for this educational savings plan you must agree to contribute for a minimum of twelve consecutive months. After that, you may elect to continue saving in additional twelve month increments until you have contributed a maximum of $2,700.00. * * *
>
> * * * With the exception of serious hardship, you can only get a refund after successful completion of your first obligated tour of service."

The basic VEAP guidance issued by the Marine Corps is contained in Marine Corps Order 1560.28, dated May 20, 1977. This order describes the provisions of VEAP and delegates to the education officer the responsibility to

--ensure that eligible service members understand the program;

--provide guidance and assistance to service members electing to participate; and

--counsel VEAP participants on suspensions, discontinuing enrollments, refund of contributions, and status of contributions upon separation from active service.

This Marine Corps order primarily relates to VEAP orientation, counseling, and enrollment of permanent-duty personnel. However, it contained general information and guidance about the use of DD form 2057 including its use by recruits.

The information on VEAP in the order was generally accurate except for one statement which suggested that a service member cannot enroll in VEAP if he or she has less than 12 months of obligated service remaining. Despite the accuracy of the order, we noted that inaccurate information was given to recruits during VEAP briefings.

PROGRAM IMPLEMENTATION

Marine Corps recruiters, guidance counselors, training instructors, and education officers generally followed the Marine Corps guidelines in informing eligible enlistees about VEAP. However, inaccurate information was sometimes given, and recruits were discouraged from immediate enrollment at the training depots.

Recruiting stations

According to a Marine Corps recruiting official, Marine Corps headquarters has not issued any procedural guidance concerning the use of VEAP as a recruiting device. Marine Corps recruiters present VEAP to prospective recruits as part of an overall Marine Corps education package and only provide a detailed explanation of VEAP if recruits show an interest in the program. (Some recruiters also have recruits complete part I of DD form 2057.) The recruiters do not sell the program nor is it prominent in Marine Corps recruiting literature.

The recruiting official told us many recruiters believe that VEAP is a poor substitute for the old GI Bill. Due to this, and the lack of specific guidance and information on

the use of VEAP in recruiting, most recruiters apparently make only limited use of the program in their recruiting efforts.

AFEES

Marine Corps guidance counselors at AFEES use DD form 2057 to inform recruits about VEAP. In a one-to-one counseling session, the guidance counselor (1) gives the recruit the form to read, (2) briefly explains VEAP to the recruit, and (3) answers any questions, but makes no attempt to sell the program.

Recruits are required to sign part I of DD form 2057 at AFEES if they have not already done so at the recruiting station. They are told that part I of the form is merely a statement of understanding regarding their rights to enroll in VEAP and ineligibility for the old GI Bill, and that they will get the opportunity to enroll at the training depot.

Marine Corps training depots

Training depots at Parris Island, South Carolina, and San Diego, California, receive and train enlisted personnel upon their entry into the Marine Corps. The training depots graduate about 54,000 male recruits and 2,500 female recruits annually. All women Marine recruits train at Parris Island. As of February 1978, Marine Corps recruit training was scheduled to last 11 weeks for men and 8 weeks for women.

At the San Diego training depot, VEAP was briefly mentioned during recruit processing, but no details were given. During the recruits' eighth week of training, an instructor assigned to the Recruit Administration Center gave a 30-minute presentation, including questions and answers, to classes ranging in size from 250 to 280 recruits. The instructor used visual aids to highlight selected portions of DD form 2057.

Before February 1978, the San Diego training depot provided VEAP presentations on the first day of recruit processing. Depot officials said that they rescheduled this briefing for later in the training cycle because new recruits were not receptive to such briefings during the first few weeks of training due to "cultural shock."

Also, based on our analysis of the written outlines of the two briefings, the current briefing appeared to be more comprehensive than the one given before February 1978.

At the Parris Island training depot, the first of two VEAP briefings was given during the ninth week of recruit training for male recruits. The series commander (4 platoons of about 75 recruits each comprise a series) gave the briefing to 2 platoons at a time. The briefing lasted about 50 minutes, including questions. The series commander gave the briefing in an informative but neutral manner following a detailed lesson plan.

The first VEAP briefing for female recruits at Parris Island was given during their sixth week of training. An academic instructor of the Woman Recruit Training Command has been giving the 30-minute briefing since July 1977. The briefing plan was similar to the plan used for male recruits and was designed to inform recruits about VEAP in a neutral manner.

The second VEAP briefing at Parris Island for male and female recruits was held 3 to 6 days after their initial briefings. This 50-minute briefing was given by staff members of the Recruit Administration Center.

Information on VEAP is inaccurate

At both San Diego and Parris Island, recruits received a scheduled opportunity to enroll during the VEAP briefings by Recruit Administration Center personnel. We attended one of these briefings at each location and noted that in each instance, the individual giving the briefing gave some inaccurate information and discouraged immediate enrollment. For example, the instructor at San Diego:

--Advised recruits that VEAP could not be used for vocational training, and that benefits could not be used while on active duty.

--Emphasized that recruits could enroll at a later date, that those who signed 4-year enlistments could wait 12 months before enrolling and still get maximum benefits, and that they must participate for at least 12 consecutive months.

--Ended the briefing by telling recruits, "Now you have the opportunity to elect VEAP. If you're not sure about the program, wait. Don't sign your form - you can do it at a later date."

At Parris Island, the Recruit Administration Center instructor told recruits that they could enroll in VEAP at any time during their enlistment as long as they had 12 months remaining on active duty. Also, throughout the briefing the instructor discouraged the recruits from immediately enrolling in VEAP before they knew their financial situations. He told 4-year enlistees they had time to think about the program because they could enroll up to 1 year after enlistment and still obtain maximum benefits. The instructor also told 3-year enlistees that since they had already been in the service almost 3 months, they could not accumulate maximum benefits. In summary, he told the recruits that the "best advice" he could give was to wait until they reached their first permanent duty station and then decide upon VEAP enrollment.

We also noted inaccurate information in the lesson plans for the VEAP briefings at both Marine Corps recruit depots. For example, the lesson plan used during the series commanders' briefings at Parris Island states that:

--Maximum participation is limited to 36 monthly contributions of $75.00.

--An eligible service member can enroll in VEAP any time providing he/she has 12 months remaining on his/her enlistment.

The lesson plan used at San Diego also contained the incorrect restriction on enrollment by individuals having less than 12 months remaining on their enlistment.

In our opinion, the inaccurate information provided during VEAP briefings did not provide an adequate basis for Marine Corps recruits to make an informed decision regarding VEAP enrollment. Also, we believe that the comments by persons giving the briefings at the two recruit depots discouraged many recruits from immediate VEAP enrollment and might have discouraged their future enrollment in the program. In this regard, an education office noncommissioned officer told us that if recruits do not enroll in VEAP during basic training, they probably will

not enroll at all. This view is reinforced by the information in the following section of this chapter.

Permanent duty stations

As previously stated, Marine Corps Order 1560.28 delegated to the education officer the responsibility for VEAP orientation and counseling of eligible permanent duty personnel. However, our review showed that the San Diego center personnel did not routinely provide VEAP information to eligible permanent duty personnel unless requested. An estimated 150 permanent duty personnel at San Diego were eligible for VEAP at the time of our visit, but none had enrolled.

At the Parris Island depot, a designated company education counselor was required to counsel eligible permanent duty personnel at least once on the provisions of VEAP. This counseling included providing eligible service members the necessary information and allowing them an opportunity to enroll. At the time of our visit, the Parris Island depot had approximately 365 permanent duty personnel eligible for VEAP; only 1 of these had enrolled while assigned to permanent duty at Parris Island.

CHAPTER 7

EFFORTS OF THE COAST GUARD IN VEAP

The Coast Guard has not established a policy nor implemented procedures to routinely inform eligible recruits about VEAP. Neither Coast Guard recruiters, training center personnel, nor education counselors are required to inform Coast Guard recruits or permanent duty personnel of VEAP.

Despite this lack of headquarters direction, one of the two Coast Guard Training Centers has, since April 1977, routinely briefed new recruits on VEAP and offered them the opportunity to enroll. The other training center initiated VEAP briefings in February 1978, but did not provide recruits a scheduled opportunity to enroll. In observing briefings at both locations we found that they contained incorrect information which we believe could affect the service members' decisions to enroll.

COAST GUARD GUIDELINES

The Commandant of the Coast Guard has issued two notices on VEAP since the program was established. In November 1976, the Commandant issued a notice explaining the expiration of the GI Bill and the beginning of VEAP; this notice did not provide a detailed description of the program. In March 1977 he issued interim guidance and instructions on filling out a VEAP allotment.

No Coast Guard directives or orders require that recruits be briefed on the requirements and benefits of VEAP or be given an opportunity to enroll in the program.

PROGRAM IMPLEMENTATION

Recruiting stations

Coast Guard recruiting literature does not contain VEAP information. However, the Chief of Recruiting for the Coast Guard has informed recruiters about VEAP, and the recruiters will explain the program if a prospective recruit asks.

The Coast Guard uses AFEES for physical and mental examinations, but its recruits are not routinely counseled at or processed through AFEES. After the Coast Guard

recruits' contact with the recruiter, their next opportunity to learn about VEAP comes during basic training. Therefore, they may not be informed about VEAP before entering active duty.

Coast Guard training centers

The Coast Guard training centers at Alameda, California, and Cape May, New Jersey, trained approximately 5,500 recruits last year. Basic training in the Coast Guard lasts for 8 weeks and 1 day (57 days).

The Cape May training center has issued no instructions implementing VEAP but has incorporated VEAP information into its curriculum. Since February 1978, a Coast Guard instructor has given a 15-minute class on VEAP to recruits during their second week of basic training. During the class that we attended, the instructor described the program using the VA circular and answered questions. The instructor did not encourage recruits to enroll. The instructor told those recruits who wanted more information to ask their counselors during their career counseling appointments in the sixth week of training.

Career counselors at the Cape May training center stated that they had no information on VEAP even though they had attempted to obtain such information from VA. They added that if a recruit specifically mentioned an interest in VEAP during the career counseling session, the career counselor would provide a very general description of the program. A career counselor stated that he encourages enrollment but only has general information with which to answer questions about the program. According to the counselors, approximately 15 to 20 percent of the recruits mention VEAP during these sessions.

Cape May recruits who are interested in VEAP must take the initiative to enroll in the program since the training center does not provide a scheduled enrollment opportunity. To enroll, the recruit must obtain an allotment form, have the form approved by his training commander, and have the allotment processed. According to Cape May officials, probably no more than 10 VEAP allotments for both recruits and permanent duty personnel have been initiated at Cape May since the program began.

The Alameda training center does not require that VEAP be presented to recruits. One instructor, however, has taken the initiative to provide a 1-hour VA benefits briefing to recruits during their second week of training. We observed one briefing and noted that the VEAP portion lasted about 15 minutes. The instructor explained VEAP and responded to questions asked by the 35 recruits. He also encouraged the recruits to participate in VEAP. He told us that he has given this briefing since about April 1977, but has been encouraging VEAP participation only since February 1978 (about the time of our visit).

On the next day, the recruits attend a pay and allotment class during which they have the opportunity to enroll in VEAP. Immediately before the recruits enroll, the pay and allotment instructor again briefs them on VEAP.

Inaccurate and incomplete information

We observed VEAP briefings at both Coast Guard training centers. At both sites recruits were provided inaccurate or incomplete information about VEAP. Recruits at Cape May were told that the maximum number of monthly payments which could be made was 36. At Alameda, recruits were erroneously told that the Government would make a maximum of 48 monthly payments, that recruits could discontinue enrollment after 3 months, that payments are made directly to the school, and that recruits could not get a refund of their contributions until the end of their first enlistment.

The briefings we attended were incomplete because the recruits were not informed of their possible eligibility for the VA education loan program.

Permanent duty stations

Coast Guard regulations do not require that permanent duty personnel be briefed on VEAP. We determined, however, that newly assigned permanent duty personnel at Alameda and Cape May are briefed on VEAP upon their arrival at the base by either the Command Enlisted Advisor (Alameda) or the Education Officer (Cape May).

Coast Guard education officers are responsible for counseling permanent duty personnel on educational opportunities. These officers have no specific guidance on how

to cover VEAP; therefore, they do not place great emphasis on the program. However, if an eligible service member is interested in VEAP enrollment, the education officer tells the service member to go to the finance office and initiate an allotment. Although VEAP enrollment data on permanent duty station personnel was not available, one Coast Guard official described the number as "almost nil."

APPENDIX I

CONTRIBUTORY EDUCATIONAL ASSISTANCE PROGRAM - STATEMENT OF UNDERSTANDING

DATA REQUIRED BY THE PRIVACY ACT OF 1974

AUTHORITY	Title 38, U.S. Code, Sections 1621, 1622, and 1623.
PRINCIPAL PURPOSE	To establish eligibility to participate in the Educational Benefits Program of the Post-Vietnam Era Veteran's Educational Assistance Act of 1977 (VEA).
ROUTINE USES	Information will be used as a source document indicating participation status of each service member VEA. Information is routinely forwarded thru Military Personnel and Finance and Accounting channels, and to the Veterans Administration for the purpose of counseling concerning the program, and acquisition of educational benefits.
DISCLOSURE	Disclosure of your social security number and other personal information is voluntary. However, enrollment cannot be processed if requested information is not provided.

PART I - TO BE COMPLETED PRIOR TO ENTRY ON ACTIVE DUTY

1. Prior to my entry on active duty, I was informed that:

a. My entry in the Armed Services of the United States on this date makes me eligible to participate in the educational benefits program of the Post-Vietnam Era Veterans' Educational Assistance Act of 1977 (VEA). Under this program, I can voluntarily establish an educational matching fund by making monthly contributions from my military pay. The Veterans' Administration (VA) will provide additional monies to the amount that I contribute, thus creating a fund from which I can receive up to 36 months of educational benefit payments. The number of months of payments I can receive and the amount of these payments is tied to the number of months and the amount of contributions that I made. These payments will generally only be available to me after I have completed my first obligated period of active duty.

b. I will be further briefed on the specific provisions of the VEA during my in-processing at the Reception Station or at initial duty station. I can decide whether or not I wish to enroll in the program at that time. Some of the provisions of the VEA, however, are as follows:

(1) The VEA establishes a voluntary educational assistance program under which I can contribute between $50 and $75 a month from my military pay *(to a maximum of $2700)* to an educational fund. The VA will provide matching funds of $2 for each $1 that I contribute.

(2) I can enroll in the program at any time during my service on active duty.

(3) Once enrolled in the program I must participate for at least 12 consecutive months, unless I am discharged or released from active duty or allowed to suspend participation or disenroll due to personal hardship *(as determined under regulations issued by the VA and Secretary of Defense)*.

(4) I will be automatically disenrolled from the program if I am discharged or released from active duty under dishonorable conditions or if I do not use the benefits within 10 years after my discharge or release from active duty.

(5) If before completing 12 continuous months of participation, I disenroll from the program for any reason other than for reasons of personal hardship, only the amount of money that I have contributed to the fund will be returned to me. The refund will normally be paid only after my discharge or release from active duty, although refunds may be made earlier in certain instances of hardship or other good reason.

(6) Provisions will be made at the time of my enrollment to provide for the refund of monies that I have contributed to the fund to my beneficiary or beneficiaries in the event of my death while participating in the program.

2. I have also been informed that I am not eligible for the noncontributing educational benefits provided by the GI Bill that terminated on 31 December 1976. Regardless of what else I may have seen or read in any source or have been told by any person, I understand that no one who enters on active duty or the Delayed Entry Program after 31 December 1976 is eligible for the noncontributing educational funds that were available to service members who enlisted before that date.

NAME AND GRADE OF WITNESSING OFFICIAL	NAME OF APPLICANT	SOCIAL SECURITY NUMBER
SIGNATURE OF WITNESSING OFFICIAL	**SIGNATURE OF APPLICANT**	**DATE**

DD FORM 1 DEC 76 2057

APPENDIX I

PART II – TO BE COMPLETED DURING RECEPTION STATION PROCESSING OR AT FIRST DUTY STATION

During in-processing at _____ *(location of reception station)*
I was informed of the provisions of the VEA. It is my decision to:

1. ☐ Voluntarily participate in the VEA program by contributing from my military pay a sum of $ _____ per month for a minimum of 12 consecutive months. I understand I can change the amount of my contribution, provided the contribution is at least $50 but not greater than $75 per month. I am aware of the provisions of Part I, Paragraph 1b(3), above.

2. ☐ Not participate in the VEA program at this time. I understand I can enroll in the program at any time during my service on active duty.

REMARKS

SIGNATURE OF SERVICE MEMBER		DATE
NAME AND GRADE OF WITNESSING OFFICIAL	SIGNATURE OF WITNESSING OFFICIAL	DATE

APPENDIX II

VEAP ENROLLEMENT RATES

BY VARIOUS DEMOGRAPHIC CHARACTERISTICS (note a)

ARMY

Demographic characteristic	Respondents (note b)	Enrollees
	(percent)	
Respondents	100.0	32.5
Pay grade:		
E-1	88.5	32.3
E-2	6.6	37.3
E-3	4.4	32.4
E-4 and above	.5	0.0
Term of enlistment:		
3 years	72.3	33.8
4 years	26.9	29.8
5 years	0.0	-
6 years	.8	0.0
Race:		
White	52.1	28.0
Black	37.6	33.3
Spanish surname	8.2	50.8
Other	2.1	56.3
Sex:		
Male	93.5	32.6
Female	6.5	30.0
Marital status:		
Single	89.0	33.1
Married	11.0	27.1
Educational level:		
Non-high school graduate	37.3	32.3
High school graduate	46.8	31.2
Some college	13.5	38.5
College graduate	2.5	26.3

a/Based on questionnaire responses from 773 Army recruits.

b/Percentages may not add due to rounding.

APPENDIX II

VEAP ENROLLMENT RATES

BY VARIOUS DEMOGRAPHIC CHARACTERISTICS (note a)

AIR FORCE

Demographic characteristic	Respondents (note b)	Enrollees
	(percent)	
Respondents	100.0	3.6
Pay grade:		
E-1	98.4	3.7
E-2	1.6	0.0
E-3	0.0	-
E-4 and above	0.0	-
Term of enlistment:		
3 years	0.0	-
4 years	97.0	3.7
5 years	0.0	-
6 years	3.0	0.0
Race:		
White	80.9	3.7
Black	12.5	3.2
Spanish surname	4.4	4.5
Other	2.2	0.0
Sex:		
Male	83.5	4.3
Female	16.5	0.0
Marital status:		
Single	84.9	4.3
Married	15.1	0.0
Educational level:		
Non-high school graduate	8.2	9.8
High school graduate	66.7	2.4
Some college	23 3	5.2
College graduate	..8	0.0

a/Based on questionnaire responses from 498 Air Force recruits.

b/Percentages may not add due to rounding.

APPENDIX II

VEAP ENROLLMENT RATES

BY VARIOUS DEMOGRAPHIC CHARACTERISTICS (note a)

NAVY

Demographic characteristic	Respondents (note b)	Enrollees
	(percent)	
Respondents	100.0	21.3
Pay grade:		
E-1	65.2	17.4
E-2	7.9	38.5
E-3	25.4	25.6
E-4 and above	1.4	28.6
Term of enlistment:		
3 years	13.0	15.6
4 years	60.8	22.7
5 years	3.0	13.3
6 years	23.2	21.9
Race:		
White	79.3	20.3
Black	8.5	28.6
Spanish surname	5.9	20.7
Other	6.3	25.8
Sex:		
Male	89.8	21.5
Female	10.2	20.0
Marital status:		
Single	95.9	20.6
Married	4.1	15.0
Educational level:		
Non-high school graduate	20.7	10.8
High school graduate	55.3	19.9
Some college	21.1	35.6
College graduate	2.9	21.4

a/Based on questionnaire responses from 492 Navy recruits.

b/Percentages may not add due to rounding.

VEAP ENROLLMENT RATES

BY VARIOUS DEMOGRAPHIC CHARACTERISTICS (note a)

MARINE CORPS

Demographic characteristic	Respondents (note b)	Enrollees
	(percent)	
Respondents	100.0	12.6
Pay grade:		
E-1	74.7	11.3
E-2	24.7	16.3
E-3	.4	50.0
E-4 and above	.2	0.0
Term of enlistment:		
3 years	34.9	10.1
4 years	64.0	14.3
5 years	0.0	-
6 years	1.1	0.0
Race:		
White	69.1	12.7
Black	21.2	10.7
Spanish surname	7.7	15.6
Other	1.9	15.4
Sex:		
Male	89.5	11.0
Female	10.5	26.7
Marital status:		
Single	94.9	12.9
Married	5.1	6.9
Educational level:		
Non-high school graduate	32.1	5.5
High school graduate	51.0	14.1
Some college	16.0	18.7
College graduate	.9	80.0

a/Based on questionnaire responses from 570 Marine Corps recruits.

b/Percentages may not add due to rounding.

APPENDIX II

VEAP ENROLLMENT RATES

BY VARIOUS DEMOGRAPHIC CHARACTERISTICS (note a)

COAST GUARD

Demographic characteristic	Respondents (note b)	Enrollees
	(percent)	
Respondents	100.0	32.8
Pay grade:		
E-1	98.5	33.3
E-2	1.0	0.0
E-3	.5	0.0
E-4 and above	0.0	-
Term of enlistment:		
3 years	0.0	-
4 years	98.5	32.8
5 years	0.0	-
6 years	1.5	33.3
Race:		
White	85.6	33.1
Black	8.9	27.8
Spanish surname	3.0	16.7
Other	2.5	60.0
Sex:		
Male	100.0	32.8
Female	0.0	-
Marital status:		
Single	94.0	33.9
Married	6.0	16.7
Educational level:		
Non-high school graduate	13.9	21.4
High school graduate	54.2	35.8
Some college	29.9	35.0
College graduate	2.0	0.0

a/Based on questionnaire responses from 201 Coast Guard recruits.

b/Percentages may not add due to rounding.

APPENDIX III

RESPONSES TO QUESTIONNAIRES

ADMINISTERED TO RECRUITS

To determine current VEAP enrollment rates, compare VEAP enrollees and nonenrollees, and gain some insight as to why more service recruits had not enrolled in VEAP, we gave questionnaires to 2,565 recruits at 9 training centers. Recruits eligible for VEAP totaled 2,534. Of these, 512 or about 20 percent had enrolled in VEAP as shown in the table below.

	Service					
	Army	Navy	Air Force	Marine Corps	Coast Guard (note a)	Total
Number of recruits surveyed	780	500	503	579	203	2,565
Number of recruits eligible	773	492	498	570	201	2,534
Number of participants	251	105	b/18	72	66	512
Percentage of eligible participants	32.5	21.3	3.6	12.6	32.8	20.2

a/We did not give questionnaires to recruits at Cape May because the recruits did not get the opportunity to enroll there.

b/None of the 82 female recruits who responded to our questionnaire enrolled in the program.

APPENDIX III

RESPONSES TO QUESTIONNAIRES ADMINISTERED TO RECRUITS

The nonparticipating recruits most frequently checked the following reasons a/ for not enrolling in this program.

	Percentage of nonenrollees					
	Army	Navy	Air Force	Marine Corps	Coast Guard	Total
-- "I plan to sign up for the program later." (note b)	39	49	51	51	49	48
-- "I have not decided whether or not I want to go to school when I get out of the service." (note c)	39	43	27	40	44	39
-- "I cannot afford to participate in the program at the present time."	32	34	30	46	33	36
-- "I plan to get my education in the service."	30	33	38	40	32	35

a/Recruits were permitted to check more than one reason for not enrolling.

b/In view of the minimum 4-year enlistment in the Air Force, this might be a more reasonable response for Air Force recruits than for recruits of other services. However, the data available indicates that very few permanent duty personnel are likely to enroll.

c/This reason was not included in the Ft. Jackson questionnaire, thus the percentage is based on the responses of 354 nonenrollees at Fts. Bliss and Dix.

RESPONSES TO QUESTIONNAIRES ADMINISTERED TO RECRUITS

We also asked these recruits where they first learned about VEAP. The table below shows their responses.

	Percentage of recruits (note a)				
	Army	Navy	Air Force	Marine Corps	Coast Guard
Learned before arrival at AFEES:	63	67	71	69	54
Recruiter	(44)	(52)	(53)	(48)	(23)
Parent/friends, etc.	(16)	(12)	(16)	(17)	(26)
Advertising	(3)	(4)	(3)	(3)	(5)
Learned at AFEES	15	5	8	4	1
Learned at basic training	22	27	21	26	43
No response	-	-	-	1	1
Total	100	100	100	100	100

a/Percentages may not add due to rounding.

APPENDIX III

RESPONSES TO QUESTIONNAIRES

ADMINISTERED TO RECRUITS

Finally, we asked nonparticipants whether they would have enrolled in VEAP if the minimum monthly contribution were reduced. The following table shows the number of recruits responding for each service and the percentage that said they would have enrolled if the minimum monthly contribution was $25.

	Number responding	Percentage of participation if minimum monthly contribution was $25
Army	416	49
Navy	382	56
Air Force	461	79
Marine Corps	441	58
Coast Guard	124	60
Total	1,824	61

APPENDIX IV

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301

MANPOWER, RESERVE AFFAIRS AND LOGISTICS

27 OCT 1978

Mr. Gregory J. Ahart
Director
Human Resources Division
U. S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Ahart:

This is in reply to your letter of July 25, 1978, to the Secretary of Defense regarding your draft report, "Improvements Needed in Implementation of the Veterans' Educational Assistance Program," OSD Case #4960, Code 40671.

Subsequent to receiving your letter, members of my staff met with members of your staff to discuss the content of the draft report. Based on those discussions, your staff revised the draft to include many of our informal comments. We wish to commend your staff for their fairness.

We have reviewed the revised draft report and concur with its recommendations. Accordingly, we will take the following actions:

- expedite publication of the joint Veterans Administration/Department of Defense Veterans' Educational Assistance Program (VEAP) regulations,

- develop a comprehensive, standardized VEAP presentation for DoD-wide use,

- insure that the Services present the VEAP briefings at recruit training centers before the scheduled VEAP enrollment opportunities, and

- track Service participation rates and trends.

Given the need to implement VEAP in a timely manner, there were some errors made, particularly in regard to explaining the program to recruits. We do not believe, however, that those deficiencies materially affected the number of VEAP enrollments. The survey conducted by your staff and reported in your

APPENDIX IV

revised draft points out what we think are the main reasons why many servicemembers do not enroll in VEAP. These are rational reasons for individuals to elect not to participate and are based on their evaluation of the program as well as their personal needs.

Further, we also agree with your staff's survey finding that reducing the monthly minimum contribution from $50 to $25 would increase VEAP participation. As you know, the Department of Defense does not have the authority under the law to make such a modification.

The Department's comments on the recommendations and observations in the report are in the enclosure to this letter. We appreciate having the benefit of your views on these important matters.

Sincerely,

ROBERT B. PIRIE, JR.
Principal Deputy Assistant Secretary
of Defense (MRA&L)

Enclosure

APPENDIX IV

DEPARTMENT OF DEFENSE COMMENTS ON THE GENERAL ACCOUNTING OFFICE REPORT, "IMPROVEMENTS NEEDED IN IMPLEMENTATION OF THE VETERANS' EDUCATIONAL ASSISTANCE PROGRAM," UNDATED (OSD CASE #4960) (CODE 40671)

COMMENTS ON GAO RECOMMENDATIONS:

Recommendation #1: GAO recommends that the Administrator of Veterans' Affairs and the Secretary of Defense take action to finalize and expedite the distribution of the joint program regulations which were being developed by VA and Defense at the conclusion of GAO's fieldwork.

DoD Comment: Concur. DoD has received a draft of the proposed joint regulations from the Veterans Administration. These regulations have been reviewed by and concurred in by the Services. The proposed regulations, which contain guidance of the sort called for in the GAO draf report, are presently being staffed within the Office of the Secretary of Defense and will be promulgated at the earliest possible time. In particular, the joint regulations will provide a definition of financial hardship and will present clear, detailed instructions for participant disenrollment.

Recommendation #2: GAO recommends that the Secretary of Defense take action to insure that program training materials and information presented to eligible recruits by the various Services are consistent, complete, and accurate, and that the recruits receive their in-depth program briefing before their scheduled enrollment opportunity.

DoD Comment: Concur. DoD plans to develop a standardized VEAP presentation for use DoD-wide. In addition, the Services will present the VEAP briefings at recruit training centers before the scheduled VEAP enrollment opportunities.

Recommendation #3: GAO recommends that the Secretary of Defense monitor implementation of the program by the various Services to determine the reasons for the disparity in participation rates.

DoD Comment: Concur. DoD has developed a data base which, now that VEAP is an older, more established program, will allow tracking of participation rates and trends in enrollment, disenrollment, and re-enrollment by Service and participant characteristics. Forecasts of future trends will also be possible.

COMMENTS ON GAO OBSERVATIONS:

Observation: Page 12 - VEAP information presented to eligible recruits varied among the Services, and, in some instances, the information provided was inconsistent with the law.

DoD Comment: DoD and Service representatives will meet with staff members from the Veterans Administration in early October, 1978, to resolve possible confusions in the interpretation of the law. Subsequent to that meeting, accurate and consistent information on VEAP will be provided to all Service activities involved in VEAP administration. Such clarification will be in the form of the standardized DoD presentation mentioned above as well as in information circulars and bulletins.

Observation: Page 17 - Most VEAP briefings were presented in a neutral manner and did not actively encourage VEAP participation.

DoD Comment: Throughout the report, there are several statements which imply that DoD personnel should encourage VEAP participation. The DoD approach has been to assure that each eligible applicant is made fully aware of VEAP as one aspect of the full range of available educational opportunities. The decision to participate in VEAP, or in other programs, must be made solely by the individual, as it involves his or her financial resources. The standardized DoD presentation mentioned above will describe the advantages and disadvantages of VEAP in an objective, factual manner.

(See GAO note p. 56.)

Observation: Page 34 - While the Air Force requires that all servicemembers receive counseling on educational benefits, including VEAP, within 30 days after they arrive at their first and subsequent duty stations and during their 12th month of active duty, few servicemembers so counseled enroll in VEAP.

APPENDIX IV

DoD Comment: The Air Force continues to require that VEAP information be provided new personnel when they arrive at their first duty station and that they also be provided special VEAP counseling during their 12th month of active duty. This is to assure that each VEAP eligible is reminded of the program in time to establish maximum benefits during the initial four-year enlistment if he or she desires to participate. The Air Force reports that this procedure is now producing increasing numbers of VEAP contributions.

Observation: Newly assigned permanent duty Naval personnel at Orlando and Great Lakes Recruit Training Centers are counseled on VEAP when they report for duty. No similar procedure exists at the San Diego Recruit Training Center.

DoD Comment: The GAO observation fails to note incorporation of recurrent VEAP counseling requirements in the Command Team program as delineated in the U.S. Navy Retention Team Manual. Corrective action will be taken to insure the San Diego program is consistent with those at Great Lakes and Orlando.

Observation: Marine Corps recruiters present VEAP to prospective recruits as a part of an overall education package and only provide a detailed explanation of VEAP if recruits show an interest in the program. The recruiters do not sell the program nor is it prominent in Marine Corps recruiting literature.

DoD Comment: The Marine Corps Recruiting Service (AFEES Liaison NCO) presently requires each applicant to execute Part I of DD Form 2057. At this time, the applicant is apprised of VEAP and also of his or her ineligibility for the G.I. Bill. Applicants seeking detailed VEAP information may obtain it from the Recruiting Service.

GAO note: The deleted comments relate to matters which were discussed in the draft report but omitted in this final report.

APPENDIX V

OFFICE OF THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

ASSISTANT SECRETARY
FOR ADMINISTRATION

AUG 25 1978

Mr. Henry Eschwege
Director
Community and Economic
Development Division
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Eschwege:

In response to your letter of July 25, 1978, this is the Department of Transportation's reply to the General Accounting Office (GAO) draft report "Improvements Needed in Implementation of the Veterans' Educational Assistance Program."

We agree with the findings and recommendations of the GAO report. The Coast Guard, prior to receipt of the report, had also realized these problem areas and a draft change to the Personnel Manual (CG-207) had been initiated. This change describes the program and includes the requirement that recruit training centers brief all trainees about the program and provide them with an opportunity for enrollment. Prior to receipt of the report, the Coast Guard also had in preparation a Commandant Instruction which, when published, will provide detailed guidance in application, disenrollment, and suspension procedures. Both the change to the Personnel Manual and the Commandant Instruction are expected to be approved internally by September 1, 1978.

Representatives from each recruit and officer training center and the Coast Guard recruiter's school attended a briefing at Coast Guard Headquarters on August 7, 1978. They were fully instructed about the program by headquarters personnel in an effort to disseminate correct and complete information in advance of publication of the pending written directives.

If we can assist you further, please let us know.

Sincerely,

Edward W. Scott, Jr.

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VETERANS ADMINISTRATION
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS
WASHINGTON, D.C. 20420
OCTOBER 2 - 1978

Mr. Gregory J. Ahart
Director, Human Resources Division
U. S. General Accounting Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Ahart:

We have reviewed the July 25, 1978 draft report, "Improvements Needed in Implementation of the Veterans' Educational Assistance Program," which assesses the armed services' efforts to aid and encourage uniformed personnel to participate in the Veterans' Educational Assistance Program (VEAP).

This report recommends that the Secretary of Defense and I take action to finalize and expedite the issuance of the joint VEAP regulations which were being developed by the Veterans Administration (VA) and the Department of Defense (DOD) at the time the General Accounting Office (GAO) completed the review. The VA firmly agrees with this recommendation and will make every effort to expedite the issuance of the joint VEAP regulations.

These regulations, which required extensive coordination with several other Federal agencies, contain comprehensive guidelines for implementing VEAP and were completed by the VA and sent to DOD on June 26, 1978. If there are no major revisions needed after the DOD review, and providing they are returned within the next 60 days, we anticipate publication in the Federal Register for public comment within the next 90 days.

We would like to comment on the report conclusions that limited guidance was issued on a piecemeal basis and tended to be general in nature, and that comprehensive guidelines for implementation and administration of the program have not been issued. We believe our actions were as timely and adequate as circumstances would permit.

Although initial VA publications were not extremely detailed with regard to every aspect of the program, we believe they were adequate under the circumstances. Public Law 94-502 created an entirely new concept in veterans benefits with the VEAP, and VA personnel had no prior experience in administering this type of program. In addition, the law made many changes to ongoing programs of education which required immediate attention. The first procedural guide, DVB Circular 20-77-25,

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was coordinated with DOD and was intended to serve as an interim guide for both VA and DOD. This Circular appeared in the Federal Register on April 12, 1977, and placed emphasis on handling funds since that is the initial part of the program. The other part, payment to veterans, did not begin until several months later.

To implement this program, it was also necessary to design a computer system to deal with the new method of payment. Instructions issued at the outset of the program were primarily for the use of persons involved with and somewhat familiar with VA education programs, such as VA personnel and DOD recruiters and training personnel. The appearance that instructions were inadequate was due more to underutilization of published guidelines, negative attitudes toward the program and the lack of a system for monitoring the various elements involved in the program.

The Program Description contained in the report Introduction describes the monthly deduction from military pay. It is our opinion that the minimum $50 VEAP contribution may be too high for some recruits. However, this amount is determined by law and before change is suggested, some of the negative aspects of a lowered contribution level should be examined. A lesser amount would not be reasonable in light of the high costs of education today. For example, it would take nine years of contributions at the rate of $25 per month to reach the $2,700 limit. It should also be noted that a smaller contribution by the recruit would result in less money being available. This, in turn, would lead to the need for a higher Federal contribution.

The report also points out that funds may be held for several years. Then, if a participant decides not to attend school, contributions would be refunded without interest. This tends to make the program less attractive for service personnel uncertain of their future educational plans. Any change in this policy would require legislative action.

The Veterans' Educational Assistance Program also applies to employees of the Public Health Service and the National Oceanic and Atmospheric Administration. No mention was made in the report about the implementation of the program within these agencies. Although the number of potentially eligible persons is relatively small, we believe that as with the military service elements, these agencies may have similar problems in the administration of the VEAP program.

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The report criticized the various military service elements for lack of consistency in presenting information to potentially eligible recruits. If that conclusion is valid, this is a serious defect in the administration of the program. It would follow then, that the program could be enhanced if the military service elements strengthened the content, timing and accuracy of their briefings.

Thank you for the opportunity to review this draft report.

Sincerely,

MAX CLELAND
Administrator

(40671)

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